IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

SUIT NO.1065 OF 1998

Kali S. Patel & Anr. ...Plaintiffs

vs.

M/s.Hindustan Lever Ltd. & Ors. ...Defendants

Ms Sheela Kadam i/b M/s.Chacko Joseph & Co. for the Plaintiffs
Mr.Y.N.Adhia for the Defendant No.1.

CORAM: A.S.OKA,J.
DATE : JULY 23,2007

JUDGMENT:

1. The learned Counsel for the Plaintiffs has tendered on record an Affidavit of examination in chief of the first Plaintiff. The said Affidavit is marked 'X' for identification. The original documents in the form of a compilation are also tendered on record. The same are taken on record and marked 'Y' (collectively) for identification.

2. According to the case of the Plaintiffs they are the shareholders of the first Defendant holding 50 shares. The said fifty shares stood in the name of the second defendant before its purchase According to the case of the Plaintiffs the said 50 shares were introduced by the second Defendant for disposal at bonus price through the broker viz. the third defendant and the shares were purchased by the Plaintiffs from their broker who is the fourth defendant. The original contract note dated 27th October 1997 and bill dated 17th

November 1997 are produced by the Plaintiffs. According to the case of the Plaintiffs, the fourth defendant issued a certificate dated 26th February 1998 certifying that the shares were purchased by the Plaintiffs at cum-bonus price.

3. Two share certificates comprising of 49 shares and one share respectively were forwarded by the Plaintiffs to the first defendant by speed post along with a covering letter dated 19th December 1997 contending that the said shares were purchased at cum bonus price, the Plaintiffs were entitled to bonus shares. According to the case made out by the Plaintiffs, after the receipt of the said letter, the first defendant transferred the said 50 shares from the name of the second defendant in favour of the Plaintiffs. However, the bonus shares were not issued to the Plaintiffs in the ratio of 1:1. According to the case of the Plaintiffs, bonus price was paid to the second defendant and therefore, the Plaintiffs were entitled to receive bonus shares. A legal notice was issued by the Plaintiffs to the first defendant on 17th January 1998. Similarly, a legal notice was issued to the second defendant on 28th January 1998 calling upon the second defendant to surrender the bonus share certificate, if any, received by her and issue a letter of release. By a letter dated 13th February 1998 the first defendant informed the Plaintiffs that the bonus shareS in the ratio of 1:1 has already been allotted to the second defendant

4. The case of the Plaintiffs is that the second defendant received the cum-bonus price from the Plaintiffs. The suit claim made by the Plaintiffs has been duly proved by the Affidavit of evidence which is tendered on record. The original documents tendered along with Affidavit are duly proved by the said Affidavit. There is no contest by the second defendant to show that the shares were not sold at cum-bonus price. The stand taken by the first defendant in the written statement is that the bonus shares were issued to the second defendant.

5. As there is no contest by the second defendant, a case is made out for passing a decree in terms of prayer clauses (a) and (b).

6. Accordingly, the suit is decreed in terms of prayer clauses (a) and (b). The second defendant will pay costs of the suit to the Plaintiffs.

7. Certified copy is expedited.

JUDGE